

ORIGINAL

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement") is entered into this 23 day of September, 2003 between and among Alexandra Communications, Inc., a Washington corporation ("Seller"), and McKenzie River Broadcasting Company, Inc., an Oregon company ("Buyer") (collectively, Buyer and Seller are the "Parties").

RECITALS

A. As of the Closing (as hereinafter defined), Seller shall own and operate KEUG(FM), Cottage Grove, Oregon (FCC Facility ID 60358) (the "Station"), pursuant to certain licenses, authorizations, permits and approvals (the "FCC Authorizations") issued by the Federal Communications Commission (the "FCC").

B. Pursuant to the FCC's Report and Order in *In re Amendment of Section 73.202(b), FM Table of Allotments, FM Broadcast Stations (Depoe Bay, Garibaldi, Cottage Grove, Veneta and Toledo, Oregon)*, MB Docket No. 02-255, RM 10524 (released May 5, 2003) ("Report and Order"), the FCC authorized certain changes for Station KEUG, station KDEP and station KPPT.

C. Pursuant to the Report and Order, the FCC Authorizations for the Station are to be modified to specify Veneta, Oregon as the new community of license. The Report and Order also authorizes other changes for Station, as well as certain changes for KPPT and KDEP.

D. Seller and Buyer entered into a Memorandum of Understanding on May 9, 2003 ("Memorandum of Understanding"), as amended by an Amendment to Memorandum of Understanding ("Amendment") on June 6, 2003, a Second Amendment to Memorandum of Understanding ("Second Amendment") on June 23, 2003, and a Third Amendment to Memorandum of Understanding ("Third Amendment") on September 23, 2003.

E. Pursuant to Memorandum of Understanding, as amended, Buyer lent Seller \$50,000.00 ("Initial Loan"). The Initial Loan was used by Seller to fund an escrow agreement necessary for Seller to exercise its rights under an option agreement between Seller and Signal Communications, Inc. ("Option Agreement") for the purchase by Seller of the assets of the Station. The Initial Loan is secured by a promissory note and personal guarantees executed by Tom Hodgins and his wife, Cheryl Hodgins, as well as by a security agreement entered into contemporaneously with the Initial Loan. The Initial Loan, including interest and any fees, will be offset against the Purchase Price (as defined herein) at the Closing (as defined herein).

F. Seller exercised the option to purchase the Station.

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G. Concurrent with this Agreement, the Parties have entered into an Interference Reduction Agreement ("IRA"), pursuant to which Buyer agrees to pay Seller \$550,000.00 ("Interference Reduction Payment"), as consideration for Seller's moving and downgrade of station KDEP pursuant to the Report and Order.

H. Subject to the terms and conditions set forth herein, Seller desires to sell to Buyer, and Buyer desires to buy from Seller, (i) the FCC Authorizations; (ii) the tangible assets listed in Schedule 1.1(b); (iii) the intangible assets and properties used or useful in the operation of the Station; and (iv) certain agreements and contracts listed in Schedule 1.1(e) and the Station's records.

AGREEMENT

NOW, THEREFORE, taking the foregoing into account, and in consideration of the mutual covenants and agreements set forth herein, the parties, intending to be legally bound, hereby agree to the following terms and conditions:

ARTICLE 1: SALE AND PURCHASE

1.1 Station Assets. Subject to the terms and conditions herein contained, Seller shall grant, convey, sell, assign, transfer and deliver to Buyer on the Closing Date (as hereinafter defined) all interests of Seller in all FCC Authorizations listed in Schedule 2.3, tangible property identified in Schedule 1.1(b), intangible property, including its business and goodwill, used or useful in the business and operations of the Station, and certain agreements and contracts listed in Schedule 1.1(e) and the Station's records as further identified herein (collectively, the "Station Assets"). Without limiting the foregoing, the Station Assets shall include the following:

(a) Licenses and Authorizations. All licenses, authorizations, permits and approvals issued, and FCC applications pending, with respect to the Station, including without limitation, all rights in and to the Station's call letters and any variations thereof and the FCC Authorizations, including, without limitation, those listed on Schedule 2.3 attached hereto. The Authorizations to be conveyed to Buyer include, but are not limited to, the pending application for construction permit (FCC File No.BPH-20030630ACM) if not granted by Closing.

(b) Tangible Personal Property. The tangible property listed and described on Schedule 1.1(b) attached hereto and any additions and improvements thereto between the date of this Agreement and the Closing Date (collectively, the "Tangible Personal Property").

(c) Reserved.

(d) Reserved.

(e) Contracts. Those contracts or agreements listed and described (including the parties thereto and date thereof) on Schedule 1.1(e) (collectively, "Contracts").

(f) Intangible Property. All trademarks, trademark applications, trademark registrations, trade names, service marks, service mark applications, service mark registrations, copyrights, copyright applications, copyright registrations, franchises, patents, patent applications (including all disclosures, continuances, continuances in part, substitutes or divisional applications), inventions, trade secrets, confidential business information, know-how, business methods, processes, procedures, jingles, slogans, logotypes and other intangible rights, including rights of any nature therein, used held for use or licensed in connection with the business and operations of the Station, including without limitation all right, title and interest in and to the marks consisting of any of the Station call letters and any and all variations thereof, and the good will symbolized by and associated therewith and with all other trademarks and service marks of Seller and all of those listed and described on Schedule 1.1(f) attached hereto, and those acquired by Seller between the date hereof and the Closing Date, including the right to bring legal action against, settle, resolve and recover for any infringements or other violations thereof commenced or otherwise occurring prior to the Closing Date (collectively, the "Intangible Property").

(g) Reserved.

(h) Files and Records.

(i) All FCC logs and other records that relate to the operation or programming of the Station;

(ii) all files and other records of Seller relating to the business of the Station, including without limitation all customer lists, reports, specifications, projections, statistics, promotional graphics, advertising, marketing or related materials, and all other technical, legal, accounting, tax and financial information concerning the Station and the Station Assets; and

(iii) a copy of all written orders and agreements entered into in the ordinary course of business for the sale of advertising time for the period July 1, 2002 through the Closing Date, whether for cash or trade, and including any unwritten agreements or amendments ("TSAs"). Schedule 1.1(h) lists all TSAs, and includes a summary of any unwritten agreements or amendments to the TSAs, as well as the contact information for each TSA. Buyer is not assuming

any of the TSAs and all TSAs shall be cancelled by Seller effective no later than the Closing Date.

(i) Claims. Any and all claims and rights against third parties if and to the extent that they relate to the Station or Station Assets, including, without limitation, all rights under manufacturers' and vendors' warranties.

(j) Reserved.

(k) Goodwill. All of Seller's goodwill in, and going concern value of, the Station.

(l) Internet Websites. All internet web sites, including without limitation all internet Domain leases and Domain names of the Station, their past or present call signs or any other identifying mark, logo or symbol, the unrestricted right to the use of HTML content located and publicly accessible from those Domain names, and licenses therefore, and the "visitor" database for those sites.

1.2 Excluded Assets. There shall be excluded from the Station Assets and retained by Seller those rights and interests of Seller listed and described on Schedule 1.2 ("Excluded Assets").

1.3 Liabilities.

(a) The Station Assets shall be sold and conveyed to Buyer free and clear of all mortgages, liens, deeds of trust, security interests, pledges, restrictions, prior assignments, charges, claims, defects in title and encumbrances of any kind or type whatsoever (collectively, "Liens").

(b) Pursuant to the execution of the Assignment and Assumption Agreement at Closing in substantially the form attached hereto as Exhibit A, Buyer shall assume the obligations of Seller under the Contracts listed on Schedule 1.1(e), except for those marked with an asterisk as "NOT ASSUMED BY BUYER".

(c) Except as otherwise specifically provided herein, Buyer is not assuming or liable for, and does not undertake to assume or discharge (i) any liability or obligation of Seller arising out of or relating to any contract, lease, agreement (including agreements for sale of advertising time), or instrument; (ii) any liability or obligation of Seller relating to employment and all employees of Seller at or related to the Station shall have been lawfully and finally discharged from employment by Seller as of the Closing Date; (iii) any liability or obligation of Seller arising out of or relating to any litigation, proceeding or claim (whether or not such litigation, proceeding or claim is pending, threatened or asserted before, on or after the Closing Date); (iv) any other

liabilities, obligations, debts or commitments of Seller whatsoever, whether accrued now or hereafter, whether fixed or contingent, whether known or unknown; or (v) any claims asserted against the Station or any of the Station Assets relating to any event (whether act or omission) prior to the Closing Date, including without limitation, the payment of all taxes and fees.

(d) Seller retains and shall hereafter pay, satisfy, discharge, perform and fulfill all obligations and liabilities not expressly assumed by Buyer hereunder as they become due, without any charge or cost to Buyer, and Seller agrees to indemnify and hold Buyer and its successors and assigns harmless from and against any and all such liabilities in accordance with the terms of Article 9 below.

(e) Buyer shall have no obligation or liability due to or because of any past service liability, vested benefits, retirement plan insolvencies or other retirement plan or past employment obligation (except as provided herein) under local, state or federal law (including the Employee Retirement Income Security Act of 1974, as amended), resulting from the purchase of the Station.

1.4 Purchase Price.

(a) Purchase Price. The purchase price to be paid for the Station Assets will be an amount equal to one million, fifteen thousand dollars (\$1,015,000.00) (the "Purchase Price").

(b) Method of Payment. Upon Closing, the Purchase Price shall be paid by Buyer in cash via wire transfer or certified check pursuant to reasonable written instructions of the Seller to be delivered by Seller to Buyer at least five (5) business days prior to Closing.

(c) Initial Loan. On May 9, 2003, Buyer made an Initial Loan to Seller of \$50,000.00 pursuant to the Memorandum of Understanding. The Initial Loan is governed by the terms of an accompanying promissory note, security agreement and personal guaranty. Pursuant to the Memorandum of Understanding, as amended, the amount of the Initial Loan, including interest and any fees, will be offset against the Purchase Price at Closing.

1.5 Closing. The consummation of the sale and purchase of the Station Assets provided for in this Agreement (the "Closing") shall take place at a place and time designated by Buyer ("Closing Date") which shall be within ten days after the FCC Consent (as defined in Section 4.4) becomes Final (as defined in Section 4.4), or such other time as the Parties may mutually agree. Provided further that this Agreement shall be null and void if the Closing does not take place on or before September 1, 2004. For the purposes of prorations, if any, the Closing shall be deemed to occur at 11:59 p.m. on the Closing Date.

This Purchase Agreement shall only be effective eighteen (18) calendar months from the date hereof.

ARTICLE 2: REPRESENTATIONS AND WARRANTIES OF SELLER

Subject to the Option Agreement, Seller makes the following representations and warranties to Buyer.

2.1 Organization and Standing. Seller is now, and on the Closing Date will be, a corporation duly organized, validly existing, and permitted to carry on the business of Station as presently conducted under the laws of the State of Oregon.

2.2 Authorization. Seller has full power and authority to enter into this Agreement; the execution and delivery of this Agreement have been duly approved by the Board of Directors and shareholders of Seller; and the Agreement constitutes a valid and binding obligation of Seller in accordance with its terms.

2.3 FCC Licenses. Seller on the Closing Date will be the holder of the FCC Licenses and permits as listed in Schedule 2.3. The FCC Licenses are now and on the Closing Date will be, in full force and effect. Seller shall have a reasonable opportunity prior to the Closing Date to contest in good faith or otherwise seek removal or rescission of any Notice of Violation or Apparent Liability issued or threatened by the Commission after the date hereof (so that no delay in the Closing will result), or to pay the same in full, without being deemed in default or in breach hereunder.

2.4 Operation of Station Between the date hereof and the Closing Date, the Station shall be operated in the normal and usual manner and in material compliance with the FCC Licenses, the Communications Act, and the Rules and Regulations of the Commission.

2.5 Schedules of Assets All of the Tangible Personal Property to be conveyed are, without material omission, properly described and accurately listed in Schedule 1.1(b) attached hereto.

2.6 Title to Tangible Personal Property On the Closing Date, Seller shall have good and marketable title to the Tangible Personal Property to be conveyed and assigned pursuant to this Agreement, free and clear of all liens, charges, security interests, equities, encroachments and encumbrances, except as otherwise disclosed on Schedule 1.1(b).

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2.7 Adequacy, Condition and Maintenance of Equipment. Buyer has inspected all of the Tangible Personal Property to be acquired by it and accepts their condition on an "as is-where is" basis. On the Closing Date the equipment will be in substantially the same operating condition as it is on the date this Agreement is signed, normal wear and tear excepted, with the exception of the transmitter, which must be conveyed to Buyer in good working condition.

2.8 Litigation. There is not now, and on the Closing Date there will not be, any judgment outstanding, or any claim, litigation, proceeding or investigation pending, or to the knowledge of Seller, threatened against Seller which would result in any material adverse change in the business, condition or earnings of Station.

2.9 Access to Records. Between the Date hereof and the Closing Date, Seller shall ensure that Buyer and representatives of Buyer shall, upon reasonable advance notice and during normal business hours, be entitled to inspect the properties, titles, physical assets, contracts, and sales accounts of Station.

2.10 Disclosure. To Seller's knowledge and belief, no covenant, representation or warranty by Seller and no written statement, schedule or certificate furnished or to be furnished by it pursuant thereto or pursuant to the Closing hereunder contains or will contain any untrue statement of a material fact.

2.11 Operation in Ordinary Course. Between the date hereof and the Closing Date, Seller shall ensure that the Station shall continue to operate in the usual and ordinary course of business.

2.12 Additional FCC Matters.

(a) All reports, applications, fees (including, but not limited to annual regulatory fees) and other submissions required to be filed with the FCC with respect to the Station (including without limitation all required equal employment opportunity reports, ownership reports, and annual regulatory fees) have been timely filed. All such reports, applications, fees and other submissions are accurate and complete. Seller shall ensure the maintenance of local public files for the Station as required by, and in full compliance with, all relevant FCC rules, regulations and policies. With respect to FCC licenses, permits and authorizations, Seller shall ensure that the Station is operating only those facilities for which an appropriate FCC Authorization has been obtained and is in full force and effect, and the Station is in full compliance with all relevant conditions of each such FCC Authorization.

(b) There are no facts indicating that the Station is not in compliance with all requirements of the FCC, the Communications Act, or any other applicable federal, state and local statutes, regulations and ordinances. Seller has not received any notice or communication, formal or informal, or other information indicating that the FCC is considering revoking, suspending, canceling, rescinding or terminating any FCC Authorization.

(c) Seller shall ensure that the operation of the Station does not cause or result in exposure of workers or the general public to levels of radio frequency radiation in excess of the "Radio Frequency Protection Guides" recommended in "ANSI Standard Safety Levels with Respect to Human Exposure to Radio Frequency Electromagnetic Fields, 3 kHz to 300 GHz" (ANSI/IEEE C95.1-1992), issued by the American National Standards Institute, renewal of the FCC Authorizations would not constitute a "major action" within the meaning of Section 1.1301, et seq., of the FCC's rules, and all facilities and operations of the Station are in full compliance with all relevant rules, regulations and policies concerning Radio Frequency Radiation.

(d) Seller shall make its best efforts to obtain the construction permit for station KDEP and to carry out the changes authorized in the FCC's Report and Order. Seller shall make its best efforts to ensure that Signal Communications, Inc. obtains the construction permit for Station KEUG to move the transmitter to the location known as "Blanton Heights" and carries out the changes authorized in the FCC's Report and Order. Seller shall make its best efforts to ensure that the licensee of KPPT obtains the construction permit for KPPT and carries out the changes authorized in the FCC's Report and Order. Seller shall use its best efforts to seek and obtain the FCC's consent to the assignment of the Station construction permit application, or construction permit (if the application is granted), as part of and corresponding to the application for assignment of the Station to Buyer. At the time that the construction permits for KDEP and KPPT are granted and the grants become Final, the Seller shall: (1) use its best efforts to promptly construct KDEP; and (2) shall cooperate with the licensee of KPPT and ensure that KPPT is promptly constructed.

2.13 Approvals and Consents. Except as described in Schedule 2.11 hereto, the execution, delivery and performance by Seller of this Agreement and the consummation by Seller of the transactions contemplated hereby will not require any consent, permit, license or approval of, or filing with or notice to, any person, entity or governmental or regulatory authority under any provision of law applicable to Seller or any Contract or Real Property lease to which Seller is a party, except as contemplated by Section 4.4 (FCC Authorization).

2.14. Station Assets. At Closing, Seller shall have good, valid and marketable title to all of the Station Assets, free and clear of Liens.

2.15 Compliance with Law. The Station, the Station Assets and Seller with respect to the Station and the Station Assets are, in all material respects, in compliance with all requirements of law, federal, state and local, and all requirements of all governmental bodies or agencies having jurisdiction over any of them, the operation of the Station, and the use of its properties and assets (including the Station Assets). Without limiting the foregoing, Seller has paid all monies and obtained all licenses, permits, certificates and authorizations needed or required for the operation of the Station. Seller has properly filed all reports and other documents required to be filed with any federal, state, local or foreign government or subdivision or agency thereof. Seller has not received any notice, not heretofore complied with, from any federal, state or municipal authority or any insurance or inspection body that any of its properties, facilities, equipment or business procedures or practices fails to comply with any applicable law, ordinance, regulation, building or zoning law, or requirement of any public authority or body.

2.16 Employment Matters. Seller shall lawfully and finally discharge all employees from employment in connection with the Station as of the Closing Date, ensuring that Buyer will have no duty, responsibility or liability to those employees.

2.17 Intangible Property. At Closing, Seller shall have all right, title and interest in and to all Intangible Property, including but not limited to intellectual property, necessary to the conduct of the Station as presently operated. Schedule 1.1(f) contains a description of all material Intangible Property. Seller has taken all actions necessary to perfect and maintain title in the Intangible Property. Seller has not received any notice of any claim that any Intangible Property or the use thereof conflicts with, or infringes upon, any rights of any third party (and there is no basis for any such claim of conflict). The Station and/ or Seller have the sole and exclusive right to use the Intangible Property. No service provided by the Station or any programming or other material used, broadcast or disseminated by the Station infringes upon any copyright, patent or trademark, service mark, right of publicity, right of privacy, trade secret, confidential business information or right arising under the law unfair competition of any other party. Seller has not entered into any non-disclosure agreements that would in any way be binding upon Buyer except as may be disclosed in Schedule 1.1(f).

2.18 Bulk Sales. Neither the sale and transfer of the Station Assets pursuant to this Agreement, nor Buyer's possession and use thereof from and after Closing because of such sale and transfer, will be subject to any law pertaining to bulk sales or transfers or imposing liability upon Buyer for appraisal or liability owing to Seller.

2.19 Brokers. Seller has been represented by MCH Enterprises, Inc. with regard to the sale of the Station. Any commission or brokerage fee or

payment in connection with this Agreement or the transactions contemplated hereby are the sole and exclusive obligation of Seller. Seller indemnifies Buyer and holds it harmless from any claim for commission or brokerage or finders fees.

2.20 Disclosure. No provision of this Agreement relating to Seller, the Station or the Station Assets or any other document, Schedule, Exhibit or other information furnished by or from them to Buyer in connection with the execution, delivery and performance of this Agreement, or the consummation of the transactions contemplated hereby, contains or will contain any untrue statement of a material fact or omits or will omit any statement of material fact necessary to make the statement, in light of the circumstances in which it is made, not misleading. Seller will disclose to Buyer any fact known to it or him that it or he knows or believes would affect Buyer's decision to proceed with the execution of this Agreement. Except for facts affecting the radio industry generally, there is no adverse fact now known to Seller relating to the Station or the Station Assets that has not been disclosed to Buyer.

2.21 Taxes. Seller has filed all applicable federal, state, local and foreign tax returns required to be filed, in accordance with provisions of law pertaining thereto, and has paid all taxes, fees, interest, penalties and assessments required to have been paid with respect to or involving the Station or the Station Assets. Seller has not been advised that any of its returns, federal, state, local or foreign, have been or are being audited. Seller agrees to obtain tax clearance letters, if feasible, from the Oregon Department of Revenue and Cottage Grove, Oregon and the respective county for any and all taxes and fees imposed by those taxing authorities upon Seller, the Station and the Station Assets. Seller further states that all unclaimed property returns related to the Seller, the Station and the Assets have been filed in a timely manner and no monies or properties subject to escheat have been retained by the Seller.

ARTICLE 3: REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Seller:

3.1 Status. Buyer is a company duly organized, validly existing and in good standing under the laws of the State of Oregon. Buyer has the requisite power to enter into and complete the transactions contemplated by this Agreement.

3.2 Authority. All actions necessary to be taken by or on the part of Buyer in connection with the transactions contemplated by this Agreement have been duly and validly taken, and this Agreement has been duly and validly authorized, executed and delivered by Buyer and constitutes the legal, valid and binding obligation of Buyer, enforceable against Buyer in accordance with and subject to its terms.

3.3 No Conflicts. Neither the execution, delivery and performance by Buyer of this Agreement nor the consummation by Buyer of the transactions contemplated hereby will (a) conflict with or violate the certificate of incorporation or bylaws of Buyer; or (b) violate any judgment, decree, order, statute, rule or regulation applicable to Buyer.

3.4 Brokers. Seller has been represented by MCH Enterprises, Inc. with regard to the sale of the Station. Buyer has represented itself. There is no broker or finder or other person entitled to a commission or brokerage fee or payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement of or action taken by Buyer.

3.5 Qualification. To the best of Buyer's knowledge, and based upon its investigation, it is qualified under the Communications Act and the existing rules, regulations and policies of the FCC to hold the FCC Authorizations.

ARTICLE 4: COVENANTS OF SELLER

Subject to the Option Agreement, the following terms of this Article 4 shall apply from the date hereof until the completion of the Closing (except as otherwise specified).

4.1 Operation of the Business.

(a) The business of the Station shall continue to be carried out and its books and accounts, records and files kept in the usual and ordinary manner in which the business has been conducted in the past; provided, however, that from the date hereof Seller shall not enter into any sales of advertising time for any consideration other than cash or trade in the ordinary course of business. Seller shall operate the Station in accordance with the terms of the FCC Authorizations and in compliance in all material respects with all applicable laws, rules and regulations and all applicable FCC rules and regulations. Seller shall maintain the FCC Authorizations in full force and effect and shall take all actions necessary to so maintain them, including but not limited to the timely filing and prosecution of any necessary applications for renewal of the FCC Authorizations or other submissions to the FCC.

(b) Seller shall provide Buyer with copies of the regular monthly revenue statements relating to the Station for the monthly accounting periods between the date of this Agreement and the Closing Date by the 20th day of each calendar month for the preceding calendar month, which shall present fairly the revenues of the Station for the period indicated in accordance with generally accepted accounting principles.

(c) Seller shall make all reasonable efforts to preserve the business organization and operation of the Station intact and preserve the goodwill of the Station's suppliers, advertisers, customers and others having business relations with it.

(d) Reserved.

(e) Seller shall keep all Tangible Personal Property in good operating condition (ordinary wear and tear excepted). Seller shall preserve intact the Station Assets and maintain in effect its current casualty and liability insurance on the Station Assets.

(f) Seller may not, by any act or omission, cause any of the representations and warranties set forth in Article 2 to become untrue or incorrect, and they shall cause the conditions to Closing set forth in Article 7 below to be satisfied and ensure that the transactions contemplated hereby shall be consummated as set forth herein.

(g) Without the prior written consent of Buyer, Seller may not take the following actions:

(i) renew, renegotiate, modify, amend or terminate any existing time sales contracts with respect to the Station, except in the ordinary course of business;

(ii) enter into, renew or amend any Contract listed in Schedule 1.1(e) with respect to the Station; or

(iii) apply to the FCC for any construction permit that would restrict the present operations of the Station, or make any change in any of the buildings, leasehold improvements or fixtures of the Station, except in the ordinary course of business.

4.2 Access to Facilities, Files and Records. At the request of Buyer, Seller shall from time to time give or cause to be given to the officers, employees, accountants, counsel, agents, consultants and representatives of Buyer (a) full access during normal business hours to all facilities, properties, accounts, books, deeds, title papers, insurance policies, licenses, agreements, contracts, commitments, records and files of every character, equipment, machinery, fixtures, furniture, vehicles, notes and accounts payable and receivable of Seller with respect to the Station; and (b) all such other information concerning the affairs of the Station as Buyer may reasonably request. All such information, when provided by Seller shall be deemed to have been represented and warranted as under Article 2 hereof by Seller to be correct, complete and fully responsive to Buyer's request therefor. Any investigation or examination by Buyer shall not in any way diminish or obviate

any representations or warranties of Seller made in this Agreement or in connection herewith. Seller shall cause their accountants and any their agents in possession of their books and records to cooperate with Buyer's requests for information pursuant to this Agreement. Buyer may conduct an audit of Seller's books and records at any time.

4.3 Representations and Warranties. Seller shall give detailed written notice to Buyer promptly upon learning of the occurrence of any event that would cause or constitute a breach, or that would have caused a breach had such event occurred or been known to Seller prior to the date hereof, of any of the representations or warranties contained in Article 2 of this Agreement.

4.4 Application for FCC Consent. As soon as possible, but in no event later than ten (10) calendar days after the later to occur of either (i) the date of this Agreement; or (ii) the lifting by the FCC of its freeze on broadcast assignment applications and its acceptance of such applications, Buyer shall file an application with the FCC (the "Application") requesting its consent to the assignment of the FCC Authorizations to Buyer from Seller and for the consummation of the transactions contemplated by this Agreement. Seller shall join in the Application. The Application shall also seek the FCC's consent to the assignment of the Station's construction permit to Buyer. If the application for modification of the construction permit to move the Station to Veneta, Oregon, (pursuant to the FCC's Report and Order) has not been granted, the Application will seek consent to assign the pending construction permit application to Buyer. Seller shall cooperate fully in the preparation and submission of the Application and diligently take all steps that are necessary, proper or desirable to expedite the prosecution of the Application to a favorable conclusion. Seller shall promptly provide Buyer with a copy of any pleading, order or other document served on either of them (or otherwise received) relating to the Application. Seller shall furnish all information required by the FCC and shall be represented at all meetings or hearings scheduled to consider such Application. The FCC's written consent to the Application is referred to herein as the "FCC Consent." In the event that Closing occurs hereunder prior to a "Final" FCC Consent, then Seller's obligations under this Section 4.4 shall survive the Closing and shall continue to so apply until the FCC Consent becomes Final. For purposes of this Agreement, the term "Final" shall mean that action shall have been taken by the FCC (including action duly taken by the FCC's staff, pursuant to delegated authority) that has not been reversed, stayed, enjoined, set aside, annulled or suspended, and with respect to which the passage of time has precluded all timely requests for stay, petition for rehearing, review or reconsideration, appeal, petition for review or certiorari, and has precluded any action of the FCC on its own motion or initiative with comparable effect. If the Closing occurs prior to FCC Consent becoming Final and the FCC Consent subsequently is reversed or otherwise set aside, and there is a Final order of the FCC (or court of competent jurisdiction) requiring the re-assignment of the FCC Authorizations to Seller, then the purchase and

sale of the Station Assets shall be rescinded. In such event, Buyer shall reconvey to Seller the Station Assets, and Seller shall repay to Buyer the Purchase Price and reassume the Contracts assigned and assumed at Closing. Any such rescission shall be consummated on a mutually agreeable date within thirty days of such Final order (or, if earlier, within the time required by such order). In connection therewith, Buyer and Seller shall each execute such documents (including execution by Buyer of instruments of conveyance of the Station Assets to Seller and execution by Seller of instruments of assumption of the Contracts assigned and assumed at Closing) and make such payments (including repayment by Seller to Buyer of the Purchase Price) as are necessary to give effect to such rescission.

4.5 Consents. Seller shall use its best efforts to obtain the consents noted on Schedule 2.11 hereto. If Seller does not obtain a consent required to assign a Contract hereunder, Buyer will not be required to assume such Contract. Seller shall obtain the Consents prior to Closing.

4.6 Notice of Proceedings. Seller will promptly notify Buyer in writing upon (a) becoming aware of any order or decree or any complaint praying for an order or decree restraining or enjoining the consummation of this Agreement or the transactions contemplated hereunder; or (b) receiving any notice from any governmental department, court, agency or commission of its intention (i) to institute an investigation into, or institute a suit or proceeding to restrain or enjoin, the consummation of this Agreement or such transactions, or (ii) to nullify or render ineffective this Agreement or such transactions if consummated.

4.7 Consummation of Agreement. Subject to the provisions of Section 10.1 of this Agreement (a) Seller shall fulfill and perform all conditions and obligations on their part to be fulfilled and performed under this Agreement and cause the transactions contemplated by this Agreement to be fully carried out; and (b) Seller may not take any action that would make the consummation of this Agreement contrary to the Communications Act or the rules, regulations or policies of the FCC.

4.8 Confidentiality. Any and all information, disclosures, knowledge or facts regarding Buyer or its business or properties to which Seller is exposed as a result of the negotiation, preparation or performance of this Agreement shall be held in strict confidence and shall not be divulged, disclosed or communicated to any other person, firm, corporation or entity, except for Seller's employees, attorneys, accountants, investment bankers, investors and lenders, and their respective attorneys, on a need-to-know basis for the purpose of consummating the transactions contemplated by this Agreement.

4.9 Reserved.

4.10 Employee Matters.

(a) Buyer has no obligation to hire any of the employees of Seller. Seller shall lawfully and finally discharge all employees from employment in connection with the Station as of the Closing Date, ensuring that Buyer will have no duty, responsibility or liability to those employees. It is in Buyer's sole discretion whether to hire or retain any of Seller's employees.

(b) Buyer will not assume any liabilities of Seller with regard to Seller's employees, including, but not limited to, any salary, bonuses, vacation, severance, commissions, fringe benefits, insurance plans, medical, dental, health or disability claims, or pension or retirement benefits under any compensation or retirement plan maintained by Seller.

(c) Seller, with respect to its employees, will timely give all notices required to be given under the Worker Adjustment and Retraining Notification Act of 1988 or similar statutes or regulation of any jurisdiction relating to any plant closing or mass lay off or as otherwise required by law and shall fully indemnify and hold harmless Buyer with respect to any liability that may arise with respect thereto relating to the employees.

4.11 Liens. Seller, at Seller's expense, will obtain and deliver to Buyer all UCC, judgment and state and federal tax lien search reports (showing searches in the name of Seller, Signal Communications, Inc., and the call letters of the Station) necessary to assure that no Liens are filed or recorded against the Station Assets in the public records of the jurisdiction where the Station Assets are located (the "Lien Search Reports").

ARTICLE 5: COVENANTS OF BUYER

Buyer covenants and agrees that from the date hereof until the completion of the Closing:

5.1 Representations and Warranties. Buyer shall give detailed written notice to Seller promptly upon learning of the occurrence of any event that would cause or constitute a breach or would have caused a breach had such event occurred or been known to Buyer prior to the date hereof, of any of the representations and warranties of Buyer contained in this Agreement.

5.2 Application for FCC Consent. Buyer shall diligently take, or cooperate in the taking of, all steps that are necessary, proper or desirable to expedite the prosecution of the Application to a favorable conclusion. Buyer will promptly provide Seller with copies of any pleading, order or other document served on it (or otherwise received) relating to the Application. In the event that Closing occurs prior to a Final FCC Consent, then Buyer's

obligations under this Section 5.2 shall survive the Closing until the FCC Consent becomes Final.

5.3 Consummation of Agreement. Subject to the provisions of Section 10.1 of this Agreement, Buyer shall use all reasonable efforts to fulfill and perform all conditions and obligations on its part to be fulfilled and performed under this Agreement, and to cause the transactions contemplated by this Agreement to be fully carried out.

5.4 Notice of Proceedings. Buyer will promptly notify Seller in writing upon (a) becoming aware of any order or decree or any complaint praying for an order or decree restraining or enjoining the consummation of this Agreement or the transactions contemplated hereunder; or (b) receiving any notice from any governmental department, court, agency or commission of its intention (i) to institute an investigation into, or institute a suit or proceeding to restrain or enjoin, the consummation of this Agreement or such transactions, or (ii) to nullify or render ineffective this Agreement or such transactions if consummated.

5.5 Confidentiality. Any and all information, disclosures, knowledge or facts regarding Seller, the Station and its operation and properties derived from or resulting from Buyer's acts or conduct (including without limitation acts or conduct of Buyer's officers, employees, accountants, counsel, agents, consultants or representatives, or any of them) under the provisions of Section 4.2 hereof shall be held in strict confidence and shall not be divulged, disclosed or communicated to any other person, firm, corporation or entity, except for Buyer's attorneys, accountants, investment bankers, investors and lenders, and their respective attorneys for the purpose of consummating the transactions contemplated by this Agreement.

ARTICLE 6: CONDITIONS TO THE OBLIGATIONS OF SELLER

The obligations of Seller under this Agreement are subject to the fulfillment of the following conditions prior to or on the Closing Date. Upon the Closing, each such condition shall be deemed to have been satisfied.

6.1 Representations, Warranties and Covenants.

(a) Each of the representations and warranties of Buyer contained in this Agreement was true and correct as of the date when made and is deemed to be made again on and as of the Closing Date and is then true and correct, except to the extent changes are permitted or contemplated pursuant to this Agreement.

(b) Buyer shall have performed and complied with each and every covenant and agreement required by this Agreement to be performed or complied with by it prior to or on the Closing Date.

6.2 Proceedings.

(a) Neither Seller nor Buyer is subject to any restraining order or injunction (or similar action) restraining or prohibiting the consummation of the transactions contemplated hereby.

(b) In the event such a restraining order or injunction is in effect, this Agreement may not be abandoned by Seller pursuant to this Section 6.2 prior to the Final Closing Date, but the Closing shall be delayed during such period. This Agreement may be abandoned after the Final Closing Date if such restraining order or injunction remains in effect.

6.3 FCC Authorization. The FCC Consent has been issued in writing by the FCC and is in full force and effect.

6.4 Reserved.

6.5 Deliveries. Buyer has complied with each and every one of its obligations set forth in Section 8.3.

ARTICLE 7: CONDITIONS TO THE OBLIGATIONS OF BUYER

The obligations of Buyer under this Agreement are, at its option, subject to the fulfillment of the following conditions prior to or on the Closing Date. Upon the Closing, each such condition shall be deemed to have been satisfied.

7.1 Representations, Warranties and Covenants.

(a) Each of the representations and warranties of Seller contained in this Agreement was true and correct as of the date when made and is deemed to be made again on and as of the Closing Date and is then true and correct, except to the extent changes are permitted or contemplated pursuant to this Agreement.

(b) Seller shall have performed and complied with each and every covenant and agreement required by this Agreement to be performed or complied with by it prior to or on the Closing Date.

7.2 Proceedings.

(a) Neither Seller nor Buyer is subject to any restraining order or injunction (or similar action) restraining or prohibiting the consummation of the transactions contemplated hereby.

(b) In the event such a restraining order or injunction is in effect, this Agreement may not be abandoned by Buyer pursuant to this Section 7.2 prior to the Final Closing Date, but the Closing shall be delayed during such period. This Agreement may be abandoned after such date if such restraining order or injunction remains in effect.

7.3 FCC Authorization. The FCC Consent has been issued in writing by the FCC and is in full force and effect without any conditions materially adverse to Buyer, and, such FCC Consent has become Final,. Buyer, in its sole discretion, may waive the requirement that the FCC Consent be Final and initiate Closing subject to this Agreement.

7.4 Deliveries. Seller has complied with each and every one of its and his obligations set forth in Sections 8.1 and 8.2, respectively.

7.5 Required Consents. Seller shall have obtained and Delivered to Buyer all of the Required Consents.

7.6 No Material Change. Seller's business and/or the Station have not been materially and adversely changed as of the Closing Date.

ARTICLE 8: ITEMS TO BE DELIVERED AT THE CLOSING

8.1 Deliveries by Seller. At the Closing, Seller shall deliver to Buyer duly executed by Seller or such other signatory as may be required by the nature of the document:

(a) the Bill of Sale, Assignment and Assumption Agreement and any other good and sufficient instruments of sale, conveyance, transfer and assignment, in form and substance satisfactory to Buyer, sufficient to sell, convey, transfer and assign the Station Assets (other than the FCC Authorizations) to Buyer free and clear of any Liens and to quiet Buyer's title thereto;

(b) the Required Consents under Section 4.5;

(c) certified copies of appropriate resolutions, duly adopted, which shall be in full force and effect at the time of the Closing, authorizing the execution, delivery and performance by Seller of this Agreement, and the consummation of the transactions contemplated hereby;

(d) an opinion of Seller's counsel reasonably acceptable to Buyer and opining as to the legal sufficiency of all transactions undertaken by Seller under this Agreement, representations and undertakings of Seller contemplated in this Agreement;

(e) the Lien Search Reports;

(f) Reserved.

(g) Assignment and Assumption Agreement duly executed by Seller for the FCC Authorizations and for the Station's call signs; and

(h) tax clearance letters in accordance with Section 2.21, if feasible

8.2 Reserved.

8.3 Deliveries by Buyer. At the Closing, Buyer shall deliver to Seller:

(a) the Purchase Price in accordance with Section 1.4;

(b) the Bill of Sale, Assignment and Assumption Agreement;

(c) certified copies of resolutions, duly adopted by the Board of Directors of Buyer, which shall be in full force and effect at the time of the Closing, authorizing the execution, delivery and performance by Buyer of this Agreement and the consummation of the transactions contemplated hereby.

ARTICLE 9: SURVIVAL; INDEMNIFICATION

9.1 Survival. All representations, warranties, covenants and agreements contained in this Agreement, or in any certificate, agreement, or other document or instrument, delivered pursuant hereto, shall survive (and not be affected in any respect by) the Closing, any investigation conducted by any party hereto and any information which any party may receive for a period of one calendar year after the Closing Date.

9.2 Basic Provision.

(a) From and after Closing, Seller (an "Indemnifying Party") hereby agrees to indemnify and hold harmless Buyer, the directors, officers and employees of Buyer and all persons which directly or indirectly, through one or more intermediaries, control, are controlled by, or are under common control with Buyer, and their respective successors and assigns (collectively, the "Buyer Indemnities") from, against and in respect of, and to reimburse the

Buyer Indemnities for, the amount of any and all Deficiencies (as defined in Section 9.3(a)) for one calendar year.

(b) From and after Closing, Buyer (an "Indemnifying Party") hereby agrees to indemnify and hold harmless Seller, the directors, officers and employees of Seller, and all persons which directly or indirectly, through one or more intermediaries, control, are controlled by, or are under common control with Seller, and their respective successors and assigns (collectively, the "Seller Indemnities") from, against and in respect of, and to reimburse the Seller Indemnities for, the amount of any and all Deficiencies (as defined in Section 9.3(b)).

9.3 Definition of "Deficiencies".

(a) As used in this Article 9, the term "Deficiencies" when asserted by Buyer Indemnities or arising out of a third party claim against Buyer Indemnities shall mean any and all losses, damages, liabilities and claims sustained by the Buyer Indemnities and arising out of, based upon or resulting from:

(i) any material misrepresentation, breach of warranty, or any non-fulfillment of any representation, warranty, covenant, obligation or agreement on the part of Seller contained in or made pursuant to this Agreement;

(ii) any material error contained in any statement, report, certificate or other document or instrument delivered by Seller pursuant to this Agreement;

(iii) any material failure by Seller to pay or perform any obligation relating to the Station that is not expressly assumed by Buyer pursuant to the provisions of this Agreement;

(iv) any material litigation, proceeding or claim by any third party relating to the business or operations of the Station prior to the Closing Date no matter when brought or made;

(v) any severance pay or other payment required to be paid with respect to any employee of the Station;

(vi) all material claims made by creditors with respect to non-compliance with any bulk sales law; and

(vii) any and all material acts, suits, proceedings, demands, assessments and judgments, and all fees, costs and expenses of any

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kind, related or incident to any of the foregoing (including, without limitation, any and all Legal Expenses (as defined in Section 9.6 below)).

(b) As used in this Article 9, the term "Deficiencies" when asserted by Seller Indemnities or arising out of a third party claim against Seller Indemnities shall mean any and all losses, damages, liabilities and claims sustained by the Seller Indemnities and arising out of, based upon or resulting from:

(i) any material misrepresentation, breach of warranty, or any non-fulfillment of any representation, warranty, covenant, obligation or agreement on the part of Buyer contained in or made pursuant to this Agreement;

(ii) any material error contained in any statement, report, certificate or other document or instrument delivered by Buyer pursuant to this Agreement;

(iii) any material failure by Buyer to pay or perform any obligation or liability relating to the Station that is expressly assumed by Buyer pursuant to the provisions of this Agreement;

(iv) any material litigation, proceeding or claim by any third party to the extent relating to the business or operations of the Station after the Closing Date; and

(v) any and all material acts, suits, proceedings, demands, assessments and judgments, and all fees, costs and expenses of any kind, related or incident to any of the foregoing (including, without limitation, any and all Legal Expenses (as defined in Section 9.6 below)).

9.4 Procedures.

(a) In the event that any claim shall be asserted by any third party against the Buyer Indemnities or Seller Indemnities (Buyer Indemnities or Seller Indemnities, as the case may be, hereinafter, the "Indemnities") that, if sustained, would result in a Deficiency, then the Indemnities, as promptly as practicable after learning of such claim, shall notify the Indemnifying Party of such claim, and shall extend to the Indemnifying Party a reasonable opportunity to defend against such claim, at the Indemnifying Party's sole expense and through legal counsel reasonably acceptable to the Indemnities, provided that the Indemnifying Party proceeds in good faith, expeditiously and diligently. The Indemnities shall, at their option and expense, have the right to participate in any defense undertaken by the Indemnifying Party with legal counsel of their own selection. No settlement or compromise of any claim which may result in a Deficiency may be made by the Indemnifying Party

without the prior written consent of the Indemnities unless: (A) prior to such settlement or compromise the Indemnifying Party acknowledges in writing its obligation to pay in full the amount of the settlement or compromise and all associated expenses; and (B) the Indemnities are furnished with a full release.

(b) In the event that the Indemnities assert the existence of any Deficiency against the Indemnifying Party, they shall give written notice to the Indemnifying Party of the nature and amount of the Deficiency asserted. If the Indemnifying Party within a period of thirty (30) days after the giving of the Indemnities' notice, shall not give written notice to the Indemnities announcing its intent to contest such assertion of the Indemnities (such notice by the Indemnifying Party being hereinafter referred to as the "Contest Notice"), such assertion of the Indemnities shall be deemed accepted and the amount of the Deficiency shall be deemed established. In the event, however, that a Contest Notice is given to the Indemnities within said 30-day period, then the contested assertion of a Deficiency shall be settled by binding arbitration to be held in Washington, DC in accordance with the Commercial Rules of the American Arbitration Association then existing. The determination of the arbitrator shall be delivered in writing to the Indemnifying Party and the Indemnities and shall be final, binding and conclusive upon all of the parties hereto, and the amount of the Deficiency, if any, determined to exist, shall be deemed established.

(c) The Indemnities and the Indemnifying Party may agree in writing, at any time, as to the existence and amount of a Deficiency, and, upon the execution of such agreement such Deficiency shall be deemed established.

9.5 Payment of Deficiencies. The Indemnifying Party hereby agrees to pay the amount of established Deficiencies within 15 days after the establishment thereof. The amount of established Deficiencies shall be paid in cash. At the option of the Indemnities, the Indemnities may offset any Deficiency or any portion thereof that has not been paid by the Indemnifying Party to the Indemnities against any obligation the Indemnities, or any of them, may have to the Indemnifying Party.

9.6 Legal Expenses. As used in this Article 9, the term "Legal Expenses" shall mean any and all fees (whether of attorneys, accountants or other professionals), costs and expenses of any kind reasonably incurred by any person identified herein and its counsel in investigating, preparing for, defending against, or providing evidence, producing documents or taking other action with respect to any threatened or asserted claim.

ARTICLE 10: MISCELLANEOUS

10.1 Termination. This Agreement may be terminated at any time prior to Closing: (a) by the mutual consent of Seller and Buyer; (b) by any party hereto if the FCC has denied the approvals constituting the FCC Consent in an

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order that has become Final; (c) by Buyer as provided in Section 10.7 (Risk of Loss); or (d) by Buyer or Seller if the Closing has not taken place by the Closing Date as set forth in this Agreement. A termination subject to this Section 10.1 shall result in no liability to Buyer.

10.2 Governing Law; Venue; Remedies. The construction and interpretation of this Agreement shall at all times and in all respects be governed by the laws of the State of Oregon, exclusive of those relating to conflicts of laws. Any action at law, suit in equity or judicial proceeding arising directly, indirectly, or otherwise in connection with, out of, related to or from this Agreement, or any provision hereof, shall be litigated only in the courts of the State of Oregon. The parties hereby consent to the personal and subject matter jurisdiction of such courts and waive any right to transfer or change the venue of any litigation between them. In the event of a breach or threatened breach by Seller of any representation, warranty, covenant or agreement under this Agreement, at Buyer's election, in addition to any other remedy available to it, Buyer shall be entitled to an injunction restraining any such breach or threatened breach and, subject to obtaining any requisite approval of the FCC, to enforcement of this Agreement by a decree of specific performance requiring Seller to fulfill its obligations under this Agreement, in each case without the necessity of showing economic loss or other actual damage and without any bond or other security being required. Should any party breach this Agreement, in addition to all other remedies available at law or in equity, such party shall pay all of the other party's costs and expenses resulting therefrom and/or incurred in enforcing this Agreement, including reasonable legal fees.

10.3 Expenses. Each party hereto shall bear all of its expenses incurred in connection with the transactions contemplated by this Agreement, including without limitation, accounting and legal fees incurred in connection herewith; provided, however, that: (i) Seller and Buyer shall share equally all filing fees, including but not limited to FCC filing fees required to be paid in connection with the Application; (ii) Seller shall be exclusively responsible for, and Buyer shall not have any liability or responsibility for any sales or transfer taxes (including without limitation any real estate transfer taxes), arising from the transfer of the Station Assets to Buyer; and (iii) Seller and Buyer shall share equally the Year 2003 FCC annual regulatory fees for the FCC Authorizations.

10.4 Entire Agreement; Amendment; No Waiver. This Agreement contains the entire agreement and understanding by and between the parties, and no other representations, promises, agreements, or understanding, written or oral, not contained herein shall be of any force or effect, including the written understanding (term sheet) between the parties, the terms of which are superceded and replaced by this Agreement. This Agreement may only be amended in writing, and any alleged oral modification hereof is to be construed as unintended to do so. No failure or delay in exercising any right hereunder shall be deemed or construed to be a waiver of such right, either prospectively

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or in the particular instance. The remedies provided in this Agreement shall be cumulative and shall not preclude the assertion by any party hereto of any other rights or the seeking of any other remedies against the other party hereto. This Agreement has been prepared by all of the parties hereto, and no inference of ambiguity against the drafter of a document therefore applies against any party hereto.

10.5 Public Announcements.

(a) Prior to the Closing Date, no party shall, without the approval of the other party hereto, make any press release or other public announcement concerning the transactions contemplated by this Agreement, except (i) to announce it has been entered into, and (ii) as and to the extent that such party shall be so obligated by law, in which case such party shall give advance notice to the other party and the parties shall use their best efforts to cause a mutually agreeable release or announcement to be issued.

(b) Notwithstanding the foregoing, the parties acknowledge that the rules and regulations of the FCC require that local public notice of the transactions contemplated by this Agreement be made after the Application has been filed with the FCC and that a copy of this Agreement be included as a material part of the Application, which will be available for public inspection at the Station and in the FCC's records. The form and substance of the required public notice, to the extent not dictated the rules and regulations of the FCC, shall be mutually agreed upon by Seller and Buyer.

10.6 Reserved.

10.7 Risk of Loss. The risk of loss, damage or destruction to any of the Station Assets shall be borne by Seller at all times up to 12:01 a.m. local time on the Closing Date, and it shall be the responsibility of Seller to repair or cause to be repaired and to restore the property to its condition prior to any such loss, damage, or destruction. In the event of any such loss, damage, or destruction, the proceeds of any claim for any loss, payable under any insurance policy with respect thereto, shall be used to repair, replace, or restore any such property to its former condition, subject to the conditions stated below. In the event of any loss or damage to any of the Station Assets, Seller shall notify Buyer thereof in writing immediately. Such notice shall specify with particularity the loss or damage incurred, the cause thereof (if known or reasonably ascertainable), and the insurance coverage. In the event that the property is not completely repaired, replaced or restored on or before the scheduled Closing Date, Buyer at its option: (a) may elect to postpone Closing until such time as the property has been completely repaired, replaced or restored (and, if necessary, Seller shall join Buyer in requesting from the FCC any extensions of time in which to consummate the Closing that may be required in order to complete such repairs); or (b) may elect to consummate the

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Closing and accept the property in its then condition, in which event Seller shall pay to Buyer all proceeds of insurance and assign to Buyer the right to any unpaid proceeds; or (c) terminate this Agreement.

10.8 Successors and Assigns. Except as otherwise expressly provided herein, this Agreement shall be binding upon and inure to the benefit of the parties hereto, and their respective representatives, successors and assigns. Seller may not assign this Agreement or any part hereof without the prior written consent of Buyer, which shall not be withheld unreasonably, and any attempted assignment without such consent shall be void. Buyer may not assign this Agreement or any part hereof without the prior written consent of Seller, which shall not be withheld unreasonably, providing that Buyer may assign this Agreement in whole or in part without Seller's consent (including without limitation separate assignments with respect to one or more of the Station) to an affiliate or affiliates of Buyer under common majority ownership and, to the extent necessary, subject to required FCC Consent. In the event of any assignment of this Agreement, the assignee shall enter into a written agreement accepting joint and several liability for all obligations under this Agreement.

10.9 Accounts Receivable. Seller is responsible for collecting all accounts receivable relating to the Station existing as of the Closing Date (the "Accounts Receivable") and shall deliver to Buyer a list of the Accounts Receivable.

10.10 Notices. All notices, requests, demands and other communications required or permitted under this Agreement shall be in writing (which shall include notice by telex or facsimile transmission) and shall be deemed to have been duly made and received when personally served, or when delivered by Federal Express or a similar overnight courier service, expenses prepaid, or, if sent by telex, graphic scanning or other facsimile communications equipment, delivered by such equipment, addressed as set forth below:

If to Seller, then to:

Thomas D. Hodgins
President
Alexandra Communications, Inc.
1000 Gray Lynn Drive
Walla Walla, WA 99362

With a copy to (which shall not constitute notice):

Jim Hayner, Esq.
249 W. Walder Street
Walla, Walla, WA 99362

If to Buyer:

John Q. Tilson, III
President
McKenzie River Broadcasting Company, Inc.
925 Country Club Road
Eugene, OR 97401

With a copy to (which shall not constitute notice):

Charles R. Naftalin, Esq.
Holland & Knight LLP
2099 Pennsylvania Avenue, NW
Suite 100
Washington, DC 20006
Fax: (202) 955-5564

Any party may alter the address to which communications are to be sent by giving notice of such change of address in conformity with the provisions of this Section providing for the giving of notice.

10.11 Further Assurances. From time to time prior to, on and after the Closing Date, each party hereto will execute all such instruments and take all such actions as any other party shall reasonably request, without payment of further consideration, in connection with carrying out and effectuating the intent and purpose hereof and all transactions contemplated by this Agreement, including without limitation the execution and delivery of any and all confirmatory and other instruments in addition to those to be delivered on the Closing Date, and any and all actions which may reasonably be necessary to complete the transactions contemplated hereby. The parties shall cooperate fully with each other and with their respective counsel and accountants in connection with any steps required to be taken as part of their respective obligations under this Agreement.

10.12 Facsimile; Counterparts. This Agreement may be executed by facsimile transmission and in counterparts, each of which shall constitute an original but together will constitute a single document.

[SIGNATURE PAGE FOLLOWS]

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SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first above written.

SELLER: ALEXANDRA COMMUNICATIONS, INC.

By: TH
Name: Thomas D. Hodgins
Title: President

BUYER: McKENZIE RIVER BROADCASTING COMPANY, INC.

By: _____
Name: John Q. Tilson, III
Title: President

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